

The Forest Reserve funding is an example of pass-through revenue.

Example 1. Receipt and distribution of funds by the recipient LEA

In this example, the county office of education (COE) receives the Forest Reserve money from the federal government. It then allocates the Forest Reserve money in a predetermined pattern to the school districts and to its own County School Service Fund (CSSF).

First, the COE deposits \$100,000 of federal Forest Reserve money into its Forest Reserve Fund, a special revenue fund. The transaction is coded as follows:

<u>Fund</u>	<u>Resource</u>	<u>Project Year</u>	<u>Goal</u>	<u>Function</u>	<u>Object</u>	<u>School</u>	
16	0000	0	0000	0000	8260	000	Received \$10,000 for COE
16	0000	0	0000	0000	8287	000	Received \$90,000 for LEAs

- Fund 16 is the Forest Reserve Fund.
- Resource 0000 is Unrestricted Resources. The money is restricted by the fund itself.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function is not required for revenue.
- Object 8260 is Forest Reserve Funds, and Object 8287 is Pass-through Revenues from Federal Sources.
- School is not required.

Then the COE allocates the money to all the participating school districts and to the CSSF according to the agreement with the county.

<u>Fund</u>	<u>Resource</u>	<u>Project Year</u>	<u>Goal</u>	<u>Function</u>	<u>Object</u>	<u>School</u>	
16	0000	0	0000	9200	7211	000	\$90,000 transferred to districts
16	0000	0	0000	9300	7619	000	\$10,000 transferred to CSSF

- Fund 16 is the Forest Reserve Fund.
- Resource 0000 is Unrestricted Resources. The money is restricted by the fund itself.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 9200, Transfer Between Agencies, is used for the transfer of money to the school districts, and Function 9300, Interfund Transfers, is used to transfer the COE portion to its CSSF.
- Object 7211 is Transfer of Pass-through Revenues to Districts, and Object 7619 is Other Authorized Interfund Transfers Out.
- School is not required.

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The Forest Reserve Fund now reflects the authorized transaction of splitting the Forest Reserve Funds among participating LEAs. The following entry into the CSSF reflects the receipt of its budgeted share of the Forest Reserve money, which is unrestricted but may have a locally defined resource code to distinguish the source of the money and how it was spent.

<u>Fund</u>	<u>Resource</u>	<u>Project Year</u>	<u>Goal</u>	<u>Function</u>	<u>Object</u>	<u>School</u>	
01	0650	0	0000	0000	8919	000	\$10,000 transfer from Forest Reserve Fund to CSSF

- Fund 01 is the County School Service Fund.
- Resource 0650 is a locally defined unrestricted resource used by the COE to track its Forest Reserve money.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function is not required for revenue.
- Object 8919 is Other Authorized Interfund Transfers In.
- School is not required.

Finally, the COE chooses to spend half its own Forest Reserve Funds to supplement the school districts' GATE programs. The transaction would be coded as follows:

<u>Fund</u>	<u>Resource</u>	<u>Project Year</u>	<u>Goal</u>	<u>Function</u>	<u>Object</u>	<u>School</u>
01	0650	0	0000	9200	7281	000

- Fund 01 is the County School Service Fund.
- Resource 0650 is a locally defined unrestricted resource used by the COE to track its Forest Reserve money.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function 9200 is Transfers Between Agencies.
- Object 7281 is All Other Transfers to Districts.
- School is not required.

Example 2: Receipt and Expenditure of Funds by Subrecipient LEA

First, the school districts receive their share of Forest Reserve money from their COE. They may use the same locally defined unrestricted resource to identify the source of the money as follows:

<u>Fund</u>	<u>Resource</u>	<u>Project Year</u>	<u>Goal</u>	<u>Function</u>	<u>Object</u>	<u>School</u>	
01	0650	0	0000	0000	8260	000	\$90,000 receipt of Forest Reserve from COE

- Fund 01 is the General Fund.
- Resource 0650 is a locally defined unrestricted resource for Forest Reserve money.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function is not required for revenue.
- Object 8260 is Forest Reserve Funds.
- School is not required.

Second, they receive the COE's donation toward their GATE program and code it as follows:

<u>Fund</u>	<u>Resource</u>	<u>Project Year</u>	<u>Goal</u>	<u>Function</u>	<u>Object</u>	<u>School</u>	
01	7140	0	0000	0000	8782	000	\$5,000 transfer from COE

- Fund 01 is the General Fund.
- Resource 7140 is Gifted and Talented Education.
- Project Year is not applicable in this example.
- Goal 0000 is Undistributed.
- Function is not required for revenue.
- Object 8782 is All Other Transfers from County Offices. Although this money is Forest Reserve money, it is not the entitlement of the district but is a transfer from the COE out of the COE's entitlement.
- School is not required.

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